1989-90, excise duty at a uniform rate of 35 per cent has been fixed for all types of cars, vans and jeeps. Basic excise duty on fuel efficient motor vehicles of engine capacity not exceeding 1000 cc has been increased by 10 per cent and that on fuel efficient motor vehicles of engine capacity exceeding 1000 cc by 5 per cent. It is a fact that with this change in excise duty, the price of Maruti cars has increased. However, it is considered that fuel efficient cars have established themselves and there is no need to continue with the concessional rates which were available to them since 1983.

**Hike in excise duty on two wheelers**

3572. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the recent hike in excise duty on two wheelers will adversely affect the middle class families in the country; and

(b) whether this will have heavy pressure on public transport systems in the metropolitan and other urban areas?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) As a revenue raising measure, the basic excise duty on certain types of two wheelers, depending on the engine capacity, was raised by five percentage points in the budget for 1989-90. The increase in prices of such two wheelers consequent to the duty increase cannot be considered to be so significant as to adversely affect the middle class sector, leading to greater pressure on the public transport systems.

**Income-tax evasion charge against film actress**

3573. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether a fresh charge of income-tax evasion has been proved against film actress Rekha;

(b) if so, what are the details thereof and the action taken in the matter; and

(c) whether any diary was seized from her?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) Additions made on account of 'cash payments not declared in the returns of income' amounting to Rs. 41,000|- for the assessment year 1976-77 and Rs. 1,90,000|- for the assessment year 1976-77 and Rs. 1,90,000|- for the assessment year 1977-78, in the reassessments of income for the said assessment years, have since been confirmed by the first appellate authority, *vide* his order dated 23.12.1988.

(c) During the course of searches at the residential premises of Kum. Rekha Ganeshan and her secretary on 2-11-1982, two diaries were seized.

**Pre-printed cheques stolen from the Regional Office of Unit Trust of India, Madras**

3574. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether few pre-printed cheques awaiting cancellation were stolen from the Regional Office of the Unit Trust of India, Madras;

(b) if so, what are the details thereof;

(c) when the incident was discovered and whether any FIR|complaint was lodged in the matter;

(d) if so, what are the details thereof;

(e) what are the details of the persons to whom such cheques were sent;

(f) whether any investigation has been made; and

(g) if so, what are the details and result thereof;

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) In the course of printing of name, amount and other details in some of the blank cheques they became "Spoilt Cheques" due to non-printing by machines, improper line adjustment and non-alignment etc. A few of such spoilt cheques, kept separately in the custody of an officer, were found missing on 13th February, 1989.

(c) As soon as such cheques were found missing, after preliminary investigation by internal auditor, a complaint was filed with Inspector General of Police (crimes), Madras, on 25th February, 1989.

(d) The complaint was made with a view to investigating the matter thoroughly and to indentify the persons involved in this act and also with a view to preventing any possibility of such stolen cheques being used further.

(e) Three cheques, sent by miscreants came to notice. One cheque was sent to Shri S. B. Chavan (FM), the second cheque was sent to Shri V. P. Singh (M.P.) and the 3rd was sent to one Shri V. Varahamoorthy of Surat District.

(f) and (g) The Police crime Branch, Madras to whom the complaint has been lodged is investigating the matter and the report is awaited.

**Seminar on valuation of assets**

3575. SHRI DEBA PRASAD RAY: Will the Minister of FINANCE be pleased to state:

(a) whether at a seminar on valuation of assets under direct tax laws the need to rationalise the valuation process was emphasised; and

(b) if so, what was the precise observation and suggestion made at the seminar and what is Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir. A seminar on 'Valuation of Assets under Direct Tax Laws' was organised by the Federation of Indian Chambers of Commerce and Industry.

(b) Diverse views were expressed regarding the amendments proposed relating to valuation of assets under the Wealth-tax Act by the Direct Tax Laws (Amendment) Act, 1989. The provision of the Bill relating to valuation of an immovable property constructed or acquired after the 31st day of March, 1974 was amended by the Government. Now, in cases where the house is exclusively used by the taxpayer for residential purposes throughout the period of 12 months, instead of valuing such a property on the basis of cost of construction or cost of acquisition, the same shall be valued by multiplying the net maintainable rent with the appropriate figure as provided in rule 3 of the Schedule, provided the value of such house does not exceed Rs. 50 lakhs in the cities of Delhi, Bombay, Calcutta and Madras and Rs. 25 lakhs in other cities.

**Seizure of gold from a merchant vessel**

3576. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that officers of the Directorate of Revenue Intelligence seized over 220 kgs. of gold from a merchant vessel on or about 11th February, 1989;

(b) if so, what are the details of the seizure;

(c) what is the total amount of gold seized by the Revenue Intelligence and Customs personnel during the current year so far and how it compares with the corresponding figure for the previous two years; and

(d) what effective steps have been taken and are being taken to prevent gold smuggling?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) On 10th February, 1989, the Officers of the Directorate of Revenue Intelligence seized 1895 gold biscuits of foreign origin of 10 tolas each weighing 221 Kgs. worth